

**CITY OF CHULA VISTA  
MINUTES**

**HOUSING ADVISORY COMMISSION (SPECIAL) MEETING**

**WEDNESDAY, AUGUST 27, 2008  
3:30 P.M.**

**CITY HALL BY CLERK'S OFFICE  
CONFERENCE ROOM #C103**

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**CALL TO ORDER/ROLL CALL – 3:45 p.m.**

**PRESENT:** Gregory Alabado, Aurora Cudal, Earl Jentz, Mark Minas, Margie Reese, Mauricio Torre

**ABSENT:** Dina Chavez (excused)  
Armida Martin Del Campo (unexcused)

**STAFF:** Amanda Mills, Redevelopment & Housing Manager  
Stacey Kurz, Senior Project Coordinator  
Jose Dorado, Project Coordinator II

**1. APPROVAL OF MINUTES**

January 23, 2008

*Member Minas made a motion to approve the minutes as written. Member Alabado seconds the motion. All members agreed unanimously to approve the motion.*

April 2, 2008

*Member Minas made a motion to approve the minutes as written. Member Alabado seconds the motion. All members agreed unanimously to approve the motion.*

May 8, 2008

*Member Alabado made a motion to approve the minutes as written. Member Cudal seconds the motion. All members agreed unanimously to approve the motion.*

June 9, 2008

*Member Minas made a motion to approve the minutes as written. Member Alabado seconds the motion. All members agreed unanimously to approve the motion.*

**2. ELECTION OF NEW CHAIR AND VICE CHAIR FOR FISCAL YEAR 2008/2009**

*Member Cudal made a motion to nominate Vice Chair Reese as Chair for Fiscal Year 2008/2009. Member Minas seconds the motion. Member Reese made a motion to nominate Member Alabado as Chair. Member Alabado respectfully declined. All members agreed unanimously to approve the motion.*

*Member Alabado made a motion to nominate Member Minas as Vice Chair for Fiscal Year 2008/2009. Chair Reese seconds the motion. All members agreed unanimously to approve the motion.*

**3. UPDATE ON TITLE 25 INSPECTION AND COMMUNITY HOUSING IMPROVEMENT PROGRAM ("CHIP") PROGRAMS AND POTENTIAL MOBILEHOME REPLACEMENT PROGRAM**

Title 25

Staff Kurz provided a set of slides that summarize parks inspected through the program to date, see Attachment 1. She indicated that since program inception in 2004 all but two parks inspected have been finalized and "closed out", as summarized below:

- Fogerty Brothers – currently upgrading electrical system.

- Brentwood Mobilehome Park – outstanding legal issues with previous owner. New park owner has been addressing park wide issues.

Staff Kurz indicated that the next park for inspection is Trailer Villa.

#### CHIP

Staff Kurz provided an update on the program since January 2008, see Attachment 1. She indicated that from January 2005 until December 2007 the program had issued over 30 mobilehome households and since January of this year we have assisted seventeen households, fourteen of which are mobilehomes.

Member Cudal asked if ethnicity is tracked for CHIP applicants. Staff Kurz and Mills indicated that the CHIP application voluntarily asks for applicants to include their ethnicity. However we do not include that in any reporting at this time.

Chair Reese asked for clarification on the available loan terms. Staff Kurz indicated that mobilehome owners under 50% of the Area Median Income (AMI) are eligible for a forgivable 5-year loan up to \$8,500 and an additional lifetime deferred loan up to \$6,500 at 0% interest until transfer, sale, rental or conveyance of the coach, for a total of \$15,000. If their income is between 50-80% AMI they are eligible for a 3% standard loan with a maximum term of 15 years for up to \$15,000.

Staff Kurz further described the available loans for single-family residences up to \$25,000 either at 0% lifetime deferred for households under 50% AMI or 3% standard loan between 50-80% AMI.

#### Mobilehome Replacement Program

Staff Kurz indicated that based on an increasing number of CHIP cases where the needed health and safety repairs exceed the CHIP program loan limits and an aging mobilehome housing stock, staff is researching a potential replacement program. She indicated that staff is at the beginning stages of identifying feasibility and possible program parameters. Staff Kurz then summarized the comments received by the Mobilehome Rent Review Commissioners, see Attachment 1.

Chair Reese asked where the funding would come from for such a program. Staff Mills indicated that we would check to see if CBBG money would be eligible or using a local funding source for an initial appropriation of money and develop a revolving fund.

Member Minas asked if the program could be combined with the administration of CHIP? Staff Mills indicated that may be possible. Commissioner consensus was that this should be a program extension of CHIP, essentially a third option to the forgivable loan or loan program.

Member Jentz asked for clarification on whom would hold title of the unit. Staff Mills explained that the tenant would hold title with the city as a lien holder of the unit.

## **4. STAFF REPORTS**

- ❖ Application for CAL-HOME Program Funds – Council Report
  - Staff Kurz indicated that Council approved the submittal of the application on June 17<sup>th</sup> and we were expecting the State to award in September, however Staff Dorado indicated that the appropriations are tied to the approval of the State budget. Staff Mills indicated that while there is no guarantee of the money, several pots are “earmarked” for specific uses at the State level, however until they approve the budget and actually appropriate the monies, nothing can be allocated.
- ❖ Pilot Homeownership Program for Real Estate Owned Properties – Council Report
  - Staff Kurz indicated that Council approved the pilot program on June 17<sup>th</sup> and we have our first REO in escrow right now. Member Minas asked how many are in the pipeline and Staff Kurz and Dorado responded 3 to 4.
- ❖ The Landings Construction Update

- Staff Kurz provided photographs of the construction progress and indicated that they are 75% “leased-up” to date with 2 of the 5 ADA units leased. She further indicated that we anticipate a grand-opening later this year which HAC would be invited to.
- ❖ Los Vecinos Construction Update
  - Staff Kurz provided photographs of the construction progress and indicated that they are taking names for application now and we expect the project to open in early 2009.
- ❖ Informational Item – SB 343 Ralph M. Brown Act Amendment sent by email for commissioners to review.

## **5. MEMBER’S COMMENTS**

Member Jentz asked for an update on Jade Bay Mobile Lodge. Staff Mills indicated that the property owner has applied for a rezone of the property but has not submitted a development application to date. Member Jentz further asked for information on Filner’s office \$5,000 involvement with Harborside Park and Staff Mills indicated that she was not familiar with this issue. He further asked whether the city is required to submit a Housing Element annual report. Staff Kurz indicated that report was presented to the group in April and will come forward to the group early next year for calendar year 2008.

Chair Reese asked that two topics that had previously been requested as future agenda items be brought to the group, including conflict of interest and commissioner roles and responsibilities. Staff Mills indicated that the attorney’s office is less likely to attend now due to staff cuts and Staff Kurz indicated that she would have to develop a presentation on roles since the Clerk’s office only provides information on the ordinance and has a small booklet for all commissions.

## **6. ORAL COMMUNICATIONS**

No oral communications.

## **7. ADJOURNMENT** – Meeting was adjourned at 5:00 p.m.

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Recorder, Stacey Kurz

Attachments:

1. Presentation

# Housing Advisory Commission

August 27, 2008 Meeting

## Title 25

- 2004 – 327 spaces
  - Chula Vista Mobile Home Park
  - Rancho Bonita
  - Georgianna Mobilehome Park
  - Farm House Trailer Park
- 2005 – 472 spaces
  - Granada Mobile Estates
  - **Fogerty Brothers**
  - Bayscene Mobilehome Park
  - Hacienda Mobile Estates

## Title 25

- 2006 – 479 spaces
  - **Brentwood Mobilehome Park**
  - Jade Bay Mobile Lodge
  - Bayside Trailer Park
  - Lynwood South Mobilehome Park
- 2007 – 576 spaces
  - Thunderbird Mobile Lodge
  - Caravan Trailer Park
  - **Trailer Villa**
  - Otay Lakes Lodge
  - **Five & Ten Mobile Ranch**

## Community Housing Improvement Program (CHIP)

- 17 households assisted totaling \$189,418.51 since January 2008
  - 10 grants / 10 loans (3 combination)
    - o 14 mobilehomes
    - o 3 single-family
- 2 denials in past year



# Mobilehome Replacement Program

## Report on MHRRC Roundtable Discussion

## Park Acceptance, Rent Control and City Investment -

### *Comments:*

- What is the long-term vision of the City? Concern that if the City does not envision mobile home parks as a viable future use, this program may not be valid. However, if the City considers mobile home use as a viable use, then this program would be a "win-win" for all parties, tenants, city and park owners.
- Staff Kurz indicated that the adopted General Plan identified five parks currently zoned MHP for higher residential or mixed-use uses. However the Urban Core Specific Plan excluded these parks from rezone when adopted. In addition, there are a number of trailer parks along Broadway that have been zoned for using other than a mobilehome or trailer park use and continue to operate under a Conditional Use Permit. All parks can continue to operate under their current uses indefinitely, but any park owner can apply for closure of a park and rezone regardless, it is up to the property owner and/or park operator to initiate this process.
- Commissioners did not think park owners would have issue accepting newer units into the park.
- The unit should remain subject to rent control under CVMC 9.50. Commissioners did not think park owners would want to enter into long-term leases.
- If a park was to close, the unit and household would be treated equally under CVMC 9.40.

**Program Costs** - What are the costs to run the program? Unit, demolition of existing unit, moving expenses, interim housing, permits. Could run around \$30,000.

*Comments:*

- Commissioners believed these costs would be recouped within 10+ years due to market increases. However, given the current recession, market concerns exist. Commissioners additionally thought a new unit would have little difficulty selling if a transfer needed to occur. A large part of the current problem is that people cannot retain loans due to the age of units in parks.

**Program Terms** - Who should retain ownership of unit and what should loan terms be?

*Comments:*

- City should consider having a third party participate, potentially a non-profit that may have access to additional financial resources. This would allow the City to remain as a lien holder and stay removed from everyday maintenance and loan terms.
- Consensus that the program should be a forgivable loan consistent with the “shelf-life” of the unit.

## **Eligibility-** Should the program be open to CHIP applicants only?

### *Comments:*

- This program sounds more complicated than CHIP.
- Residency of at least 1 year.

## **Ongoing Maintenance – Who should be responsible for monitoring upkeep?**

### *Comments:*

- Most Housing programs have maximum income limits, either 50% or 80% of Area Median Income. But should this program have income minimums?
  - Debt/Income Ratios
  - Support maintenance
  - Consensus to use existing standards, maybe FHA on lower level.
- If a third party non-profit was used they could monitor and inspect periodically.
- Include loan terms for maintenance and insurance requirements.
- May also be concerned with physical ability to maintain units.



## Staff Reports

- Application for CAL-HOME Program Funds – Council Report
  - Council Approved 6/17
  - Anticipated September State approvals
- Pilot Homeownership Program for Real Estate Owned Properties – Council Report
  - Council Approved 6/17
  - First REO property in escrow

## The Landings

- Began interviews in early summer
  - 75% leased up as of mid-August
  - 2 of 3 ADA units leased



## Los Vecinos

- Currently taking waiting list names

